

## BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF QEP ENERGY COMPANY FOR AN ORDER AUTHORIZING THE FLARING OF GAS IN EXCESS OF THE AMOUNTS ALLOWED UNDER UTAH ADMIN. CODE RULE R649-3-20(1.1) FROM A TOTAL OF SIX WELLS LOCATED WITHIN TOWNSHIP 10 SOUTH, RANGES 17 AND 18 EAST, DUCHESNE AND UINTAH COUNTIES, UTAH

## SUPPLEMENTAL REQUEST FOR AGENCY ACTION

Docket No. 2013-017

Cause No. 259-03

COMES NOW, QEP Energy Company ("QEP"), acting by and through its attorneys, Holland & Hart LLP, and pursuant to Utah Code Ann. §40-6-5(3)(f) and Utah Admin. Code Rule R649-3-20(5), hereby respectfully requests that QEP be allowed to appear before the Board of Oil, Gas and Mining (the "Board") at its regularly scheduled hearing on December 4, 2013, to report on the status of this matter.

In support of this request, QEP respectfully states and represents:

1. By Findings of Fact, Conclusions of Law and Order dated July 15, 2013, the Board granted QEP permission to continue flaring gas from six wells above the 1,800 MCF per month limit allowed by Utah Admin. Code Rule R649-3-20(1.1). For two of the wells, the WR 16G-32-10-17 and WRB 16-17-10-17, QEP was authorized to flare gas

above the limit until September 1, 2013. For the other four wells at issue, QEP was granted permission to continue flaring the gas above the limit until November 1, 2013.

- 2. By Order dated November 1, 2013, the Board granted QEP's motion for temporary relief and extended the November 1, 2013 deadline due to the inability of QEP to obtain the necessary rights-of-way from the Bureau of Land Management ("BLM").
- 3. QEP is continuing to work with the BLM to obtain the necessary rights-of-way. QEP has been told that the approval of the rights-of-way would be "very soon." However, as of the date of this submittal, November 6, 2013, the necessary rights-of-way have not been issued. QEP is in contact with the BLM weekly regarding the status of the rights-of-way. QEP has been informed that the remaining approval is an administrative act only but that the agency is under-staffed.
- 4. As set forth in the original Request for Agency Action in this cause, and as outlined during the prior hearing on this matter, partially shutting-in these horizontal oil wells in order to avoid flaring gas in excess of the limit creates a substantial risk of permanent damage to the wells and the potential reduction in the ultimate recovery from the wells.
- 5. QEP would like to appear before the Board at the regularly scheduled December 4, 2013, hearing to provide testimony regarding the status of the six wells covered by the July 15, 2013 Order. QEP remains hopeful that it will be granted the

necessary rights-of-way prior to the December 4th hearing date. If so, QEP will present this evidence. In the alternative, if the BLM has still not issued the necessary rights-of-way, QEP will be prepared at the hearing to document its efforts to obtain the rights-of-way and will ask the Board for continuing relief.

- 6. QEP believes and therefore alleges that granting this Supplemental Request will be in furtherance of the public policies of this State to promote greater recovery of oil without waste and to protect the correlative rights of all affected owners, and is just and reasonable under the circumstances.
- 7. QEP will, in accordance with Board rules, submit exhibits and present testimony in support of this Supplemental Request.
- 8. QEP will separately file a certificate of mailing listing all parties known to it, based on a search of the Duchesne and Uintah County realty records and the records of the BLM, whose "legally protected interests" will be affected by this Supplemental Request. There are no respondents or adverse parties known at this time to QEP.

## WHEREFORE, QEP respectfully requests:

- 1. That this matter be set for hearing on December 4, 2013;
- 2. That notice of such hearing be given as provided by law; and

3. That the Board makes permanent its Order allowing QEP as operator of the Wells to flare gas in excess of amounts currently allowed under Utah Admin. Code Rule R649-3-20(1.1) for the period from November 1, 2013, until construction of the pipelines to the wells are completed.

Respectfully submitted this 7th day of November, 2013.

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